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District Counsel

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION

In re

TULARE LOCAL HEALTHCARE
DISTRICT, dba TULARE
REGIONAL MEDICAL CENTER,

Debtor.

Tax ID #: 94-6002897
Address: 869 N. Cherry Street
Tulare, CA 93274

CASE NO. 17-13797

Chapter 9

DC No.: N/A

Date: N/A
Time: N/A
Place: 2500 Tulare Street
Fresno, CA 93721
Courtroom 13
Judge: Honorable René Lastreto II

TULARE LOCAL HEALTHCARE DISTRICT, dba TULARE REGIONAL MEDICAL
CENTER NOTICE OF AMENDED DECLARATION OF
FISCAL EMERGENCY AND ADOPTION OF RESOLUTION

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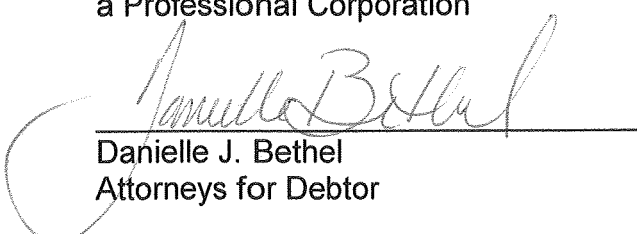
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1 PLEASE TAKE NOTICE that the Declaration of Fiscal Emergency and Adoption
2 of Resolution which was attached to the Voluntary Petition for Chapter 9 Bankruptcy
3 has been amended to include the following finding, which was made at the September
4 29, 2017 public hearing: "There are numerous reports of new UCC filings evidencing
5 possible preferential transfers of the Tulare Local Healthcare District's assets." A copy
6 of the Amended Declaration of Fiscal Emergency is attached hereto as Exhibit "A".
7

8 Dated: October 5, 2017

WALTER WILHELM LAW GROUP
a Professional Corporation


Danielle J. Bethel
Attorneys for Debtor

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EXHIBIT "A"

**AMENDED DECLARATION OF FISCAL EMERGENCY AND ADOPTION OF
RESOLUTION**

Tulare Local Healthcare District, dba Tulare Regional Medical Center

WHEREAS, the Board of Directors of the Tulare Local Healthcare District, dba Tulare Regional Medical Center ("TRMC") has placed the financial condition of TRMC on the agenda of a noticed public hearing which took place on September 29, 2017.

WHEREAS, at the noticed public hearing the following factual findings, among others, were made:

1. TRMC is or will be unable to pay its obligations within the next 60 days;
2. According to the report of TRMC's Manager Healthcare Conglomerate Associates ("HCCA") and CEO Dr. Benny Benzeevi, the Tulare Local Healthcare District has zero cash in its bank accounts, is in a dire financial situation, and is suffering from a critical cash shortage;
3. On September 28, 2017, HCCA failed or was otherwise unable to fund the entire gross payroll for employees staffing TRMC, citing the cash shortage by the Tulare Local Healthcare District as the cause;
4. The Tulare Local Healthcare District's inability to pay vendors has resulted in significant liabilities, and vendors critical to the operation of the District have discontinued service to TRMC;
5. The Tulare Local Healthcare District has insufficient cash to purchase adequate medical supplies for the operation of TRMC;
6. The cash shortage of the Tulare Local Healthcare District poses a risk to public health and safety;
7. There are numerous reports of new UCC filings evidencing possible preferential transfers of the Tulare Local Healthcare District's assets;
8. There is an imminent risk of closure of the hospital;
9. The fiscal condition of TRMC constitutes a fiscal emergency;
10. Absent a Chapter 9 filing, the fiscal condition of TRMC puts the health, safety, and welfare of its patients in jeopardy;

THEREFORE, whereas the Board of Directors has determined it is in the best interests of the Tulare Local Healthcare District, dba Tulare Regional Medical Center, its creditors, bondholders, citizens, taxpayers, patients and employees and other interested parties that a petition be filed commencing a Chapter 9 bankruptcy under Title 11, United States Code.

RESOLVED that the form of the Petition for relief under Chapter 9, Title 11 of the United States Code, presented to this meeting is approved and adopted in all respects; and be it further

EXHIBIT "A" 1/2

RESOLVED that Kevin B. Northcraft is hereby authorized and directed to execute and verify a petition for relief and to cause the same to be filed with the United States Bankruptcy Court for the Eastern District of California; and be it further

RESOLVED that Kevin B. Northcraft is authorized to execute and file all schedules, lists and other papers and to take any and all actions which they may deem necessary or proper in connection with proceedings under Chapter 9; and be it further

RESOLVED that the District retain and employ Walter Wilhelm Law Group and McCormick Barstow LLP as counsel for the District in these proceedings.

DATED: October 3, 2017



Kevin B. Northcraft, Chairperson

EXHIBIT "A" 2/2